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*Burma.*—The most concentrated production of illicit opium in the world occurs in the insurgent Shan and Kachin states of Burma, where opium production in recent years has been estimated at approximately 400 tons annually. This is the infamous "Golden Triangle," the rugged mountainous region where Burma, Thailand, and Laos are joined. The amount of heroin entering the illicit U.S. market from this region has remained relatively constant for the past two years at about 1.5 tons annually. Europe, on the other hand, is the principal market for heroin originating in the Golden Triangle, and in Europe, drug abuse is on the rise.

This Committee has long hoped that Europe, as the primary target of the narcotics trade in the Golden Triangle, would assume primary responsibility for multilateral and bilateral narcotics control assistance to that region. Unfortunately, the European countries have, collectively, made only a marginal contribution to these efforts. On an annual basis, their contribution to the United Nations Fund for Drug Abuse Control is far below that provided by the United States. Furthermore, unlike the United States, the European countries have no bilateral narcotics control programs of any significance in either Burma or Thailand.<sup>1</sup>

There are some signs that the European countries have at last awakened to the flood of narcotics entering Europe from the Golden Triangle, and it may be that they will substantially increase their narcotics control assistance. The Committee would welcome this development, because we believe that only a determined international effort can deal with the extraordinarily complex political problems and regional rivalries which bar effective narcotics control in Southeast Asia. Indeed, the continuing strength of these factors has led the Committee to conclude that U.S. bilateral narcotics control assistance in Southeast Asia may well have reached the point of diminishing returns. In part, this is due to the past successes of U.S. narcotics control programs in Burma and in Thailand, but it is also, and more importantly, due to constraints which are beyond the reach of bilateral programs.

Helicopters supplied by the United States have enabled the Burmese Government to break up the large concentrations of opium poppy production. Many farmers have planted poppies in more remote fields, and now disperse them among other crops, making detection more difficult. It is increasingly important to gain control on the ground. Yet, Burma is still plagued by insurgency and the Government lacks political control in the production areas.

Furthermore, while U.S. supplied helicopters have also enabled Burmese forces to virtually eliminate the 400-600 mule caravans which formerly transported opium to the border of Thailand, traffickers have adopted new tactics. Human porters now carry impure morphine base, instead of the pack animals formerly used to carry the bulkier shipments of raw opium. The control of these shipments requires the close cooperation of Burma and Thailand. Yet, relations between Burma and Thailand continue to be strained by the Thai Government's apparent toleration of dissident Burmese forces in Thailand, and until relations between these two countries improve, it is likely that the pipeline for heroin will remain open.

<sup>1</sup> It is true that Sweden, France, and the Netherlands have each stationed one narcotics control officer in their respective embassies in Bangkok, but that is about the extent of European bilateral assistance. By way of contrast, in fiscal year 1978 alone, the United States programmed \$4,670,000 in bilateral narcotics control assistance in Burma.

The Committee believes that difficulties in relations between states and U.S. bilateral narcotics control. These factors do hamper the effect. Committee, there, believes that the its proposed program to reflect Thailand. In accord with this view, reduction it has recommended for will be applied to the proposed Committee would urge the Admiralty international effort, having participation, to control the flow of narcotics.

*United Nations Fund for Drug Abuse Control* proposes to contribute \$3 million to U.S. participation in the UN Fund. The fiscal year 1979 request is equal to that as the U.S. contribution in the Appropriations Act. It will be recommended specifically limiting the U.S. participation in its fiscal year to \$3 million. The limitation on participation by the Committee encourage increased participation had proved fruitless. The Committee U.S. participation in its fiscal year the Congress approved the limita

The results of this effort to nations are mixed. While there has been a general increase in commitment to narcotics control, registered drug addicts has increased a 1977 contribution of \$2 million. France made an even larger contribution of 1.3 percent of the total. Belgium \$25,000 or 0.3 percent. Great Britain

Among those who did increase their contributions for part of a specific UN Fund program, Denmark contributed \$500,000, but this Development Program to finance a project in Afghanistan. Denmark contributed \$1,448,000 in 1977 as part of the UN Fund program. Denmark contributed \$500,000, but this Development Program to finance a project in Afghanistan. Denmark contributed \$1,448,000 in 1977 as part of the UN Fund program.

The Committee wishes to call attention to the fact that the UN Fund was established in May 1972. The purpose of the UN Fund was to provide a mechanism for concerned nations wishing to participate in the control of drugs. The Committee believes such a mechanism and would like to see the UN Fund, but our confidence in the failure of certain nations to make an insistence of others that their contributions to the UN Fund is not yet

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The Committee believes that problems of political control and difficulties in relations between states are too sensitive to be addressed by U.S. bilateral narcotics control assistance programs. Nonetheless, these factors do hamper the effective control of narcotics. The Committee, there, believes that the Administration should restructure its proposed program to reflect political realities in Burma and Thailand. In accord with this view, the Committee directs that the reduction it has recommended for International Narcotics Control will be applied to the proposed bilateral program for Burma. The Committee would urge the Administration to support an intensified international effort, having substantially increased European participation, to control the flow of narcotics from Southeast Asia.

*United Nations Fund for Drug Abuse Control.*—The Administration proposes to contribute \$3 million to the United Nations Fund for Drug Abuse Control in fiscal year 1979. Those who are familiar with U.S. participation in the UN Fund will note that the Administration's fiscal year 1979 request is equal to the amount which was appropriated as the U.S. contribution in the fiscal year 1978 Foreign Assistance Appropriations Act. It will be recalled that that Act contained a proviso specifically limiting the U.S. contribution to the UN Fund to \$3 million. The limitation on the U.S. contribution had been recommended by the Committee after its efforts of several years to encourage increased participation by other nations in the UN Fund had proved fruitless. The Committee documented its case for reduced U.S. participation in its fiscal year 1978 Report (No. 95-352) and the Congress approved the limitation on the U.S. contribution.

The results of this effort to increase contributions from other nations are mixed. While there has been a general increase in participation, certain countries appear to be unwilling to make a substantial commitment to narcotics control. West Germany, whose number of registered drug addicts has increased dramatically in recent years made a 1977 contribution of \$215,376, only 2.7 percent of total contributions. France made an even smaller contribution—\$100,000 or 1.3 percent of the total. Belgium's contribution was smaller yet—\$25,000 or 0.3 percent. Great Britain did not even make a contribution.

Among those who did increase their participation, many earmarked their contributions for particular purposes. Norway contributed \$1,448,000 in 1977 as part of a \$5.5 million five-year contribution to a specific UN Fund program in Burma. The Netherlands in 1977 contributed \$500,000, but this was through the United Nations Development Program—to finance a treatment and rehabilitation project in Afghanistan. Denmark contributed \$400,000, also earmarked for treatment and rehabilitation in Afghanistan.

The Committee wishes to call attention to the fact that when the UN Fund was established in March of 1977, it was founded on the recognition that drug abuse is an international problem. The Fund was to provide a mechanism for consolidating contributions from concerned nations wishing to participate in an international effort to control drugs. The Committee continues to believe in the need for such a mechanism and would like to encourage the growth of the UN Fund, but our confidence in its future is undermined by the failure of certain nations to make significant contributions and the insistence of others that their contributions be used only for specified projects. The UN Fund is not yet a truly international undertaking.

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DEPARTMENT OF STATE  
Washington, D.C. 20520

18 OCT 1978  
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September 26, 1978

Dear Senator DeConcini:

The Senate Appropriations Committee report on FY 1979 foreign assistance programs recommends that International Narcotics Control funds be reduced by \$2.5 million and that this reduction be cut from our bilateral program with Burma. The House has supported the full \$40 million Administration appropriation request for the International Narcotics control program. If any reduction is to be made in our appropriation, the Department believes that flexibility in allocating the reduction should be maintained in order to maximize our ability to respond effectively to rapidly changing illicit drug production and trafficking patterns.

The reduction recommended by the Senate would signal a lack of U.S. commitment to narcotics control in Southeast Asia and discourage individual country and regional efforts to control illicit narcotics production and trafficking. As a result of recent successes in eradication of heroin poppy by the Government of Mexico, a growing proportion of the total heroin entering the U.S. comes from Southeast Asia, primarily from opium produced in Burma.

Experience over the past several years has demonstrated conclusively that the primary external impetus to more vigorous anti-narcotics action by Southeast Asian governments is U.S. support, by means of a coordinated inter-agency effort both in Washington and abroad. Without a continued U.S. program at projected Fiscal Year 1979 levels, narcotics control efforts in Southeast Asia would be much less effective. Heroin traffic to the U.S. and other countries would undoubtedly increase.

The Honorable  
Dennis DeConcini,  
United States Senate.

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Both Burmese and Thai narcotics suppression programs have become more effective in the past two years and hold promise of becoming even more so. Again, this is due in large part to the increasingly effective cooperation between these two Governments and the various U.S. agencies which are working closely with them.

The Government of Burma is conducting an increasingly aggressive anti-narcotics campaign. The Burma Army, for example, currently maintains at least 20% of its combat units for action against narcotics trafficking. Since 1975 a series of major ongoing actions against refining sites in the Burma/Thai border area and the day-to-day operations of the Burma Army have seriously disrupted trafficker activities in the Shan Plateau. Units of the Burma Army have also played a major role, along with the civil police, in the government's impressive crop eradication efforts. During the past growing season, over 12,000 acres of poppy were destroyed during these operations.

The Department believes that the Governments of both Burma and Thailand are committed to narcotics suppression in the Golden Triangle. Our assistance is essential to maintaining the effectiveness of the narcotics control efforts of these governments. Moreover, other governments in Southeast Asia now beginning to be active in narcotics control would interpret any reduction of U.S. narcotics control assistance in the region as discouragement to their own efforts. The overall effect would be a substantial increase in the amount of heroin from Southeast Asia coming into the U.S.

I urge the Conference Committee to approve the full \$40 million appropriation request for the International Narcotics Control program, or if any reduction is made, to restore flexibility in determining how such reduction will be taken by the Department.

Sincerely,



Mathea Falco  
Senior Adviser and Director for  
International Narcotics Control Matters